

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

UNITED STATES OF AMERICA,

Plaintiff,

v.

JACK STEPHEN PURSLEY,

Defendant.

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Case 4:18-cr-00575

DEFENDANT'S PROFFER AS TO JERRY ENGLAND

As ordered by the Court, Defendant Jack Stephen Pursley ("Pursley") submits and files this affidavit of Jerry England ("England") as a proffer of the (brief) direct testimony that Pursley seeks to elicit from England. England's testimony goes to the mens rea element of the indicted offenses, demonstrating that Pursley lacked the requisite intent. England's testimony also supports Pursley's good faith reliance on tax preparers defense.

Respectfully submitted,

/s/ Victor D. Vital

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Attorneys for Defendant Jack Stephen Pursley

CERTIFICATE OF SERVICE

I certify that on August 29, 2019, a copy of this document was served on all counsel of record through filing on the ECF System.

/s/ Victor D. Vital
Victor D. Vital

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AFFIDAVIT FROM JERRY ENGLAND

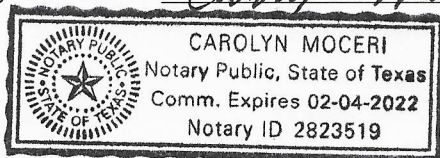
BEFORE ME, THE UNDERSIGNED AUTHORITY, PERSONALLY APPEARED Jerry England, who first being duly sworn or affirmed by me, under penalty of perjury, deposed as follows:

1. I have been a tax preparer for over 40 years. Pursley and I shared a floor in an office building for years before Pursley became a client. During the time, Pursley and I shared a floor, Pursley would visit me and ask questions.
2. I began preparing Pursley's and his other companies' tax returns in 2015. Pursley struggled to articulate how his companies were set up and how they functioned from a cash flow and tax flow perspective. While working with Pursley, it seemed to me that Pursley did not understand how to appropriately account for the transactions that were occurring between his companies.
3. From my view, based upon my professional experience working with tax clients and based upon my personal interactions with Pursley, Pursley did not seem to understand how loans and the associated accumulated interest should be documented on the books of his

companies. I helped Pursley make the correct book entries and explained their purpose to Pursley.

4. I had to disabuse Pursley of the mistaken notion that he could use the capital in his foundation to pay health insurance benefits. Based upon my professional experience and my personal interactions with Pursley, Pursley seemed confused on these points. Far from instructing me on how to complete his tax returns and how to characterize his personal and business financial transactions, Pursley deferred completely to me. Although he routinely asked questions, Pursley's questions were not sophisticated and did not demonstrate a knowledge of tax law. When Pursley first brought his tax work to me, Pursley expressed confusion about the tax treatment of his various business and financial transactions. Pursley subsequently made a substantial payment to the IRS to be applied to any tax assessed on his withdrawals of funds from his companies.
5. I helped Pursley file an Amended Tax return for 2013. Pursley's 2013 tax return needed to be amended because his previous tax preparers did not make the proper deductions for Pursley's legal expenses.
6. When I gave Pursley tax advice, Pursley consented to every suggested modification without argument or resistance.
7. My experience with large accounting firms is that mistakes are frequently made due to an inadequate understanding of the client.

SUBSCRIBED AND SWORN TO
AFFIRMED before me, on the 29th
day of August, 2019
by AFFIAN Carolyn Mocer



Jerry Englund
AFFIAN'S SIGNATURE

